

## Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 25, 2012

Reference No.: 2.8b.(6)  
Action Item

From: NORMA ORTEGA  
Chief Financial Officer

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Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR LOCALLY-ADMINISTERED STIP PROJECT, PER RESOLUTION G-06-08 WAIVER-12-06**

### **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the post-fact request by the City of Vallejo (City) to extend the period of contract award for the Downtown Vallejo Pedestrian Enhancement project (PPNO 04-5152J) for nine months from September 30, 2011 to June 30, 2012.

### **ISSUE:**

On March 24, 2011, the Commission approved Resolution FP-10-24, allocating \$412,000 for the Downtown Vallejo Pedestrian Enhancement project. The City originally awarded the contract to Elite Landscaping (Elite) on September 27, 2011. The Department reviewed the contract and determined that it was non-responsive due to insufficient Good Faith Effort (GFE) in meeting the Underutilized Disadvantage Business Enterprise (UDBE) participation goals and not eligible for federal funds. The City concurred and is in the process of rescinding the contract award. The City intends to re-advertise the contract and is requesting a nine-month time extension to June 30, 2012.

### **BACKGROUND:**

The project is located in downtown Vallejo, along Sacramento Street between York Street and Georgia Street; and along Virginia Street between Sacramento Street and Marin Street. The scope of the project includes installing curb and gutter and landscape planters with irrigation, removing and replacing sidewalks, constructing street bulbouts at intersections, pavement rehabilitation, storm drain extensions, signage, pedestrian lighting, and improved traffic signals.

The City awarded the contract to Elite in September 2011 based on staff recommendations that the contractor had met the UDBE requirement by submitting an acceptable GFE. In December 2011, the Department reviewed the award package and notified the City that the contractor's GFE was insufficient and deemed the contract non-responsive for UDBE requirements and therefore ineligible for federal funding. The City sent a letter to Elite asking for additional information on their GFE efforts. On December 12, 2011, Elite sent a letter to the City declining to submit any further information.

In light of the determination by the Department and Elite's refusal to provide additional documentation, the City is rescinding the original award and will re-advertise the contract. However, in preparation for re-bidding the contract, the City is performing a thorough review of the project scope and limits. During the original bidding process, the City noted that the next two lowest bidders were \$500,000 over the Engineer's Estimate. Therefore, it is prudent for the City to re-evaluate the project scope to ensure a successful award within the total project budget, including other contributing sources of funds. The re-evaluation of the project scope and limits will not impact NEPA determination or the Transportation Enhancement program eligibility.

The City is proposing the following timeline for the re-bid process:

- Re-Advertise project by April 2012
- Open bids in May 2012
- Award contract in June 2012

Therefore, the City is requesting a nine-month time extension to June 30, 2012.

In June 2006, the Commission adopted Resolution G-06-08, which requires the agency implementing a project to request a time extension if the project will not be awarded within six months of the allocation. STIP Guidelines stipulate that the Commission may approve a waiver to the contract award deadline one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.